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**FISCAL IMPACT STATEMENT**

**LS 6724**

**BILL NUMBER:** HB 1085

**NOTE PREPARED:** Jan 2, 2013

**BILL AMENDED:**

**SUBJECT:** Spinal Manipulation.

**FIRST AUTHOR:** Rep. Davis

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Performing Spinal Manipulation-* The bill provides that a health practitioner may not perform spinal manipulation or spinal adjustment unless the practitioner has statutory authority to differentially diagnose and meets certain educational requirements. The bill excludes physicians and osteopaths from the requirements.

*Disciplinary Sanctions-* The bill provides for disciplinary sanctions for violations.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** *Performing Spinal Manipulation-* A health practitioner, other than a physician or osteopath, would not be able to perform spinal manipulation or spinal adjustment on a patient unless the practitioner meets the requirements proposed under the bill.

*Disciplinary Sanctions-* Violators of the bill's provisions would be subject to disciplinary sanctions by their respective professional board. Violations brought before professional boards would increase the number of administrative hearings to be held and the associated expense.

**Background-** Health profession boards operate under the General Fund appropriation for the Professional Licensing Agency (PLA). As of September 2012, there were 281,025 actively licensed health professionals. Of the total licensed, 27,593 were actively licensed physicians or osteopathic physicians.

**Explanation of State Revenues:** *Disciplinary Sanctions*- Disciplinary sanctions could include revocation or suspension of license, censure, issuance of a letter of reprimand, probationary status, and/or the assessment of a fine up to \$1,000 per violation. Revenue from fines is anticipated to be minimal, but would depend on the number of practitioners brought to an administrative hearing and then fined by the appropriate professional board.

*Court Fee Revenue:* The provisions of the bill could lead to additional civil actions filed by aggrieved persons that received improper spinal manipulation from an unqualified health practitioner.

If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

In addition, some or all of the judicial salaries fee (\$20), public defense administration fee (\$5), court administration fee (\$5), and the judicial insurance adjustment Fee (\$1) are deposited into the state General Fund. Revenue from the pro bono services fee (\$1) is transferred by the State Auditor to the Indiana Bar Foundation for use to assist with pro bono legal services programs in Indiana. And proceeds from the automated record keeping fee (\$5) are deposited into the state User Fee Fund.

Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Court Fee Revenue:* If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge, depending upon the particular type of case.

Persons filing a civil case are also required to pay the following fees that are deposited in local funds.

The document storage fee (\$2) is deposited into the clerk record perpetuation fund.

The following fees are deposited into the general fund of the county in which the court is located:

- Document fees (\$1 per document) are charged for preparing transcripts or copies of record or certificate under seal.
- Service fee (\$10) collected from the filing party for each defendant beyond the first cited in the lawsuit.

**State Agencies Affected:** PLA, boards governing the licensed or certified health professions.

**Local Agencies Affected:** Trial courts.

**Information Sources:** PLA active license count September 19, 2012.

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